

MESSAGE FROM THE GOVERNOR.

A messenger from the Executive Office appeared at the bar of the House, and, being duly announced, presented a message from the Governor, which was read, as follows:

Executive Office,
State of Texas.

Austin, Texas, March 1, 1909.

To the House of Representatives:

I have the honor to return House bill No. 276, without my approval. This bill has for its object a reduction of the occupation tax upon every circus or "Wild West" show wherein equestrian or acrobatic feats and performances are exhibited for which pay for admission is demanded or received. It is estimated that the loss to the State's general revenue under this bill, as compared with the existing law, will aggregate about \$26,500, provided the existing law is enforced, and that a like loss will be sustained in the aggregate of city and county occupation taxes where such performances or exhibitions are given, and as the present occupation tax upon these occupations are not believed to be excessive, and as the loss to general revenue to the State, and to the counties and cities would necessarily result in an increase of taxes upon the property taxpayers to the extent of this reduction in the circus occupation tax, I can not give to this measure executive approval.

It will hardly be denied that the existing law on the method contemplated by this bill is equal and uniform, and it is respectfully suggested that in the event of further legislation upon this subject that the occupation tax should not only be based upon the charge for admission, but also graduated and fixed, using the population of a town or city as a basis. To illustrate: If the circus pays an occupation tax of \$500 for a performance in a city of 50,000 people, it should not pay exceeding \$250 for a performance given in a city of 25,000 population, and so on.

A fair gross receipts occupation tax would probably be the most equitable, and would come nearer securing equality and uniformity than a flat occupation tax rate, as is now provided by law. The gross receipts occupation tax would insure equality and uniformity and would be absolutely just, as the circus would only pay taxes upon

receipts and in the proportion to the size of audiences, and when exhibiting in small towns to small audiences the tax would be smaller, just as it would be larger when exhibiting to the great audiences secured in our larger cities.

T. M. CAMPBELL, Governor.